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**LOUISIANA ASSOCIATION FOR SICKLE CELL ANEMIA, INC.**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAY 19 1999

**FINANCIAL AND COMPLIANCE AUDIT  
OF STATEMENT OF GRANT ACTIVITY OF  
STATEWIDE ADVISORY AND ACCESS PROGRAM**

**TOGETHER WITH**

**INDEPENDENT AUDITORS' REPORT**

**FOR THE PERIOD JULY 1, 1997 THROUGH OCTOBER 31, 1998**

bruno

& Tervalon

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of the  
**Louisiana Association for Sickle Cell Anemia, Inc.**

We have audited the Statement of Grant Activity of the Statewide Advisory and Access Program of the **Louisiana Association for Sickle Cell Anemia, Inc. (the Association)** for the period July 1, 1997 through October 31, 1998. The statement of grant activity is the responsibility of the management of **the Association**. Our responsibility is to express an opinion on the statement of grant activity based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, and the *Government Auditing standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of grant activity is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of grant activity. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement of grant activity. We believe that our audit provides a reasonable basis for our opinion.

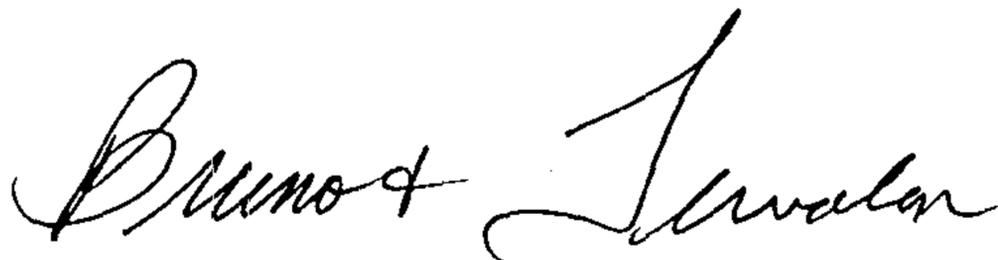
As described in NOTE 1, the Statement of Grant Activity presents only the activities of the Statewide Advisory and Access Program of **the Association** and is not intended to present fairly the financial position of **the Association** and the changes in its net assets and cash flows in conformity with generally accepted accounting principles.

**INDEPENDENT AUDITORS' REPORT**  
**(CONTINUED)**

To the Board of Directors of the  
**Louisiana Association for Sickle Cell Anemia, Inc.**  
Page 2

In our opinion, the Statement of Grant Activity presents fairly in all material respects, the grant activity of the Statewide Advisory and Access Program of **the Association** for the period July 1, 1997 through October 31, 1998, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated April 9, 1999 on our consideration of **the Association's** Statewide Advisory and Access Program's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants.



**BRUNO & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

April 9, 1999

**LOUISIANA ASSOCIATION FOR SICKLE CELL ANEMIA, INC.**  
**STATEMENT OF GRANT ACTIVITY**  
**FOR THE PERIOD JULY 1, 1997 THROUGH OCTOBER 31, 1998**

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Revenues

Grant revenues	<u>\$148,679</u>
Total revenues	<u>\$148,679</u>

Expenses

Salaries	\$ 69,359
Travel	24,473
Operating	29,129
Supplies	3,380
Professional services	11,478
Equipment	<u>10,860</u>
Total expenses	<u>\$148,679</u>

The accompanying notes are an integral part of this statement.

**LOUISIANA ASSOCIATION FOR SICKLE CELL ANEMIA, INC.**  
**NOTES TO THE STATEMENT OF GRANT ACTIVITY**

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NOTE 1 - PURPOSE OF THE STATEMENT OF GRANT ACTIVITY:

The Statement of Grant Activity has been prepared for the purpose of complying with the terms and conditions of the State of Louisiana Department of Health and Hospitals Office of Public Health and Genetic Diseases program agreement with the **Louisiana Association for Sickle Cell Anemia, Inc. (the Association)**. The statement of grant activity presents only the activities of the grant agreement.

NOTE 2 - BACKGROUND:

On September 25, 1997 the Louisiana Department of Health and Hospitals Office of Public health and **the Association** entered into an agreement that required **the Association** to develop a statewide comprehensive plan to address the quality of life issues and real problems affecting persons with Sickle Cell conditions.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Method of Accounting

The accounting policies of **the Association** conform to generally accepted accounting principles. Grant revenues received are grant receipts recognized based upon expenditures incurred.

Grant expenditures are generally recognized under the accrual basis of accounting when the related liability is incurred, if measurable.

Accounting Estimates

The preparation of the Statement of Grant Activity in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of grant revenues and expenditures during the reported period. Actual results could differ from those estimates.

**LOUISIANA ASSOCIATION FOR SICKLE CELL ANEMIA, INC.**  
**NOTES TO THE STATEMENT OF GRANT ACTIVITY, CONTINUED**

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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Leases

During the year, **the Association** entered into an agreement to lease a printing machine. The terms of the lease agreement resulted in the lease being capitalized. The machine was used to print informational brochures to be distributed throughout the state. The lease payments have been expensed, for the purposes of the Statement of Grant Activity.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

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To the Board of Directors of the  
**Louisiana Association for Sickle Cell Anemia, Inc.**  
New Orleans, Louisiana

We have audited the Statement of Grant Activity of the **Louisiana Association for Sickle Cell Anemia, Inc. (the Association)** as of and for the period July 1, 1997 through October 31, 1998, and have issued our report thereon dated April 9, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether **the Association's** Statement of Grant Activity is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of the Schedule of Grant Activity's amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL  
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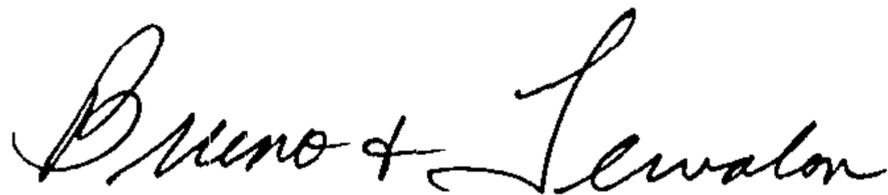
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**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Association's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the Schedule of Grant Activity and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the Schedule of Grant Activity being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the use of the Board of Directors, management, and the State of Louisiana Department of Health and Hospitals Office of Public Health and is not intended to be and should not be used by anyone other than these specified parties.



**BRUNO & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

April 9, 1999

**LOUISIANA ASSOCIATION FOR SICKLE CELL ANEMIA, INC.**

**EXIT CONFERENCE**

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An exit conference was held at the to discuss the audit report. This exit conference was attended by:

**LOUISIANA ASSOCIATION FOR SICKLE CELL ANEMIA, INC.**

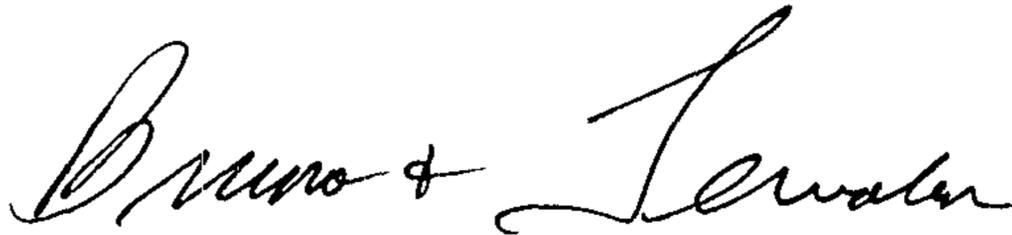
Mr. Gerald Williams - Director

**BRUNO & TERVALON, CERTIFIED PUBLIC ACCOUNTANTS**

Mr. Alcide J. Tervalon, Jr., CPA - Partner

Mr. Sean Bruno - Senior

This report is intended for the information of the **Louisiana Association for Sickle Cell Anemia, Inc.**, management and the State of Louisiana Department of Health and Hospitals Office of Public Health. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



**BRUNO & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

April 9, 1999

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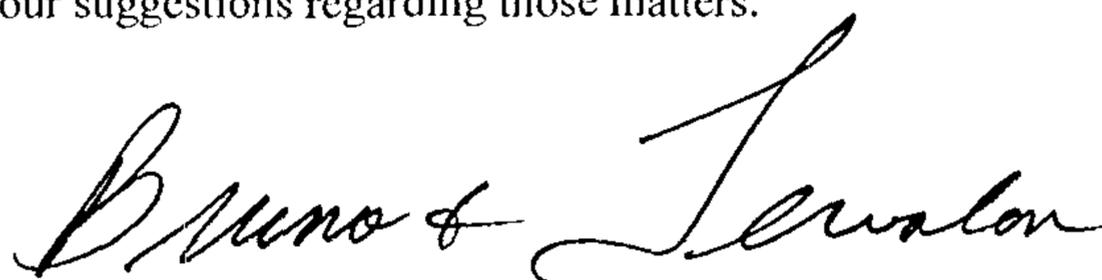
LEGISLATIVE DIRECTOR

**INDEPENDENT AUDITORS' COMMENTS TO MANAGEMENT**

Mr. Gerald Williams  
Executive Director  
**Louisiana Association for Sickle Cell Anemia, Inc.**  
3233 St. Bernard Avenue  
New Orleans, LA 70122

In planning and performing our audit of the Statement of Grant Activity of the **Louisiana Association for Sickle Cell Anemia, Inc. (the Association)** for the period July 1, 1997 through October 31, 1998, we considered the **Association's** internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the Statement of Grant Activity and not to provide assurance on the internal control structure.

However, during our audit, we became aware of several matters that are opportunities for strengthening internal control and operating efficiency. The following comments summarize our suggestions regarding those matters.



**BRUNO & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

April 9, 1999

# LOUISIANA ASSOCIATION FOR SICKLE CELL ANEMIA

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## 98-1 EXPENSE TESTING

In the test of expenditures, we noted several instances in which the client could not locate supporting documentation for several transactions.

### Recommendation

We recommend that **the Association** take steps to ensure that all supporting documentation is maintained on file for all transactions.

## 98-2 BUDGET

Although **the Association** did not exceed the total amount awarded per the grant agreement, we noted that **the Association** exceeded several budgeted line items.

### Recommendation

We recommend that **the Association** prepare and review monthly a budget versus actual expense analysis in order to ensure that **the Association** does not exceed the allotted budgeted line items.

**THE LOUISIANA ASSOCIATION FOR SICKLE CELL ANEMIA  
CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED OCTOBER 31, 1998**

Management Letter Comment	Proposed Corrective Action	Projected Completion Date	Contact Person
<p>The management of the <b>Association</b> could not locate supporting documentation for several transactions selected for testing.</p>	<p>The management of the <b>Association</b> has implemented procedures to match supporting documentation with the purchase orders when checks are written to satisfy the obligation. The supporting documentation along with the approved purchase order will subsequently be filed in the vendor file.</p>	<p>May 31, 1999</p>	<p>Gerald Williams, Executive Director</p>
<p>The management of the <b>Association</b> exceeded several budgeted expense line items, nonetheless the Association did not over spend the awarded amount.</p>	<p>The management of the <b>Association</b> have established procedures to prepare and review monthly a budget versus actual expense analysis. The analysis will be used as a tool for management to monitor the budget.</p>	<p>May 31, 1999</p>	<p>Gerald Williams, Executive Director</p>